LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 6110 NOTE PREPARED: Nov 30, 2011

BILL NUMBER: HB 1054 BILL AMENDED:

SUBJECT: Alcoholic Beverage Permits in or near Historic Districts.

FIRST AUTHOR: Rep. Soliday BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

 $\overline{\underline{X}}$ DEDICATED FEDERAL

<u>Summary of Legislation</u>: This bill provides that a restaurant located not more than 1,000 feet (instead of 500 feet) from a historic district is eligible for a permit to sell alcoholic beverages without regard to the permit quota. It also provides that not more than ten permits issued to restaurants within or not more than 1,000 feet from a historic district may be active at any time.

Effective Date: July 1, 2012.

<u>Explanation of State Expenditures:</u> Alcohol and Tobacco Commission (ATC): This bill could increase administrative expenditures for the ATC by requiring the ATC to amend rules governing issuance of retailer permits in historic districts. The ATC's existing level of resources should be sufficient.

Explanation of State Revenues: Permit Fee Revenue: This bill could increase permit fee revenue. The bill provides that a restaurant located not more than 1,000 feet (instead of 500 feet under current statute) from a historic district is eligible for a retailer permit regardless of the permit quota. According to the ATC's November 2011 permit counts, there are 14 retailer permits in historic districts.

The initial fee for the permit is \$6,000. Subsequently, the annual fee for the permit is \$500 if the retailer sells only beer or only wine, \$750 if the retailer serves both beer and wine and \$1,000 if the retailer serves beer, wine, and liquor.

The fees are initially deposited in the Excise Fund and then redistributed 37% to the state General Fund; 33% to the general funds of cities, towns, and counties based on population; and 30% to the Enforcement and Administration Fund.

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Explanation of Local Expenditures:

Explanation of Local Revenues: See *Explanation of State Revenues*.

State Agencies Affected: ATC.

Local Agencies Affected:

Information Sources: ATC Statewide Permit Counts.

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